



MERITUS VENTURES

August 14, 2008

Mr. Gary K. Van Meter
Deputy Director
Office of Regulatory Policy,
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

Dear Mr. Van Meter:

My name is Ray Moncrief and I am a fund manager of the only Rural Business Investment Company (RBIC) in the United States. The RBIC program was authorized and appropriated in the 2002 Farm Bill and was re-authorized in the 2008 Farm Bill. The RBIC program delivers much needed equity capital to businesses located in rural census tracts in the United States. Eighty percent of all venture capital is invested in urban census tracts on either the East or West coasts. There is an increasing demand for venture capital in rural America because of the business starts that are replacing the production of the family farm.

The Farm Credit Associations have invested the maximum amount in Meritus Ventures, L.P. that they are allowed to invest by regulation. There would have been even more invested in the Meritus Ventures, L.P. if there were not the regulatory limitation.

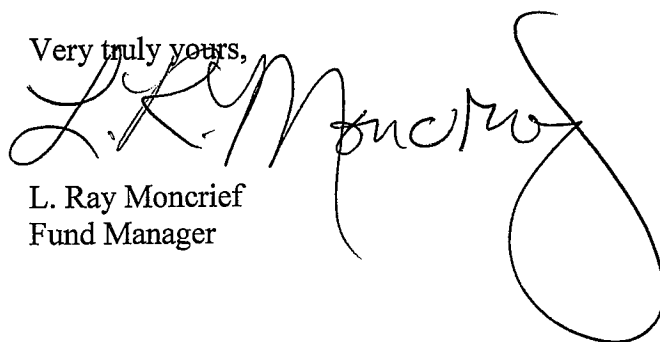
Therefore, the Farm Credit Administration's proposed rule to enable Farm Credit institutions to make rural community investments is urgently needed to help meet the growing needs of rural communities.

America's rural communities often lag behind metropolitan areas in essential infrastructure, services and facilities, in areas such as transportation, health care, education and others that drive employment and economic opportunities. Rural communities deserve to have access to every source of capital that can be identified to thrive and succeed.

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We strongly support this proposed rule and I urge the Farm Credit Administration to put a final rule in place to generate additional capital sources for rural communities. This is needed now.

Very truly yours,



L. Ray Moncrief
Fund Manager

CC: Mr. Ken Auer